

Local Health Department Manual
Healthy Opportunities Pilot Standard Terms & Conditions
11.23.22

Healthy Opportunities Pilots Standard Terms and Conditions for PHP Contracts with LHDs Serving as a Designated Pilot Care Management Entity

1. Background

Prepaid Health Plans contract with Local Health Departments (LHDs) for the provision of Care Management for High-Risk Pregnancies (CMHRP) and Care Management for At-Risk Children (CMARC) to eligible members. Refer to Section III.C.6. Care Management of the Prepaid Health Plan Services Contract for additional detail regarding the care management provided by LHDs.

2. Scope

The scope of these terms and conditions cover the agreement between the PHP and LHD outlined below and in the Contract as it relates to the Healthy Opportunities Pilots.

The scope of the terms below covers the agreement between the PHP and LHDs serving as a Designated Pilot Care Management Entity.¹ As this is a pilot program, the Department will continually review and update entity requirements based on the on the ground experience of Designated Pilot Care Management Entities.

Standard Terms and Conditions for PHP Contracts with LHD Providers Participating in the Healthy Opportunities Pilots. The LHD must:

General

- Conduct all Pilot-related responsibilities detailed in the Pilot Participation section of the LHD Program Guide.
- Be onboarded onto and utilize NCCARE360 for all Pilot-related functionalities. The Department will cover the cost of NCCARE360 use for Medicaid members for functionality required by the Department.
- Follow any future DHHS-developed guidance documents or protocols related to the provision of Pilot-related care management.
- Adhere to requirements regarding the collection, storage, and exchange of information related to Pilot sensitive services (including but not limited to IPV-related services), as described in *the Interpersonal Violence-Related Healthy Opportunities Pilot (IPV)-Related Services: Conditions, Requirements, and Standards* attachment of the DHHS-Standard Plan contract. These include requirements to:
 - Provide training for staff with access to any Pilot data on handling IPV-related data;
 - Limit access to IPV-related data to those who have received IPV-related data training and require access to IPV-related data; and
 - Require collection, documentation, review, and use of a Member's contact requirements [see *Refer to and Confirm Delivery of Pilot Services* sub-section below for more detail].
- The PHP is not permitted to add any additional oversight, monitoring or reporting requirements above and beyond what is enumerated in these terms and conditions.

¹ A Designated Pilot Care Management Entity that is assuming care management responsibilities specifically related to the Healthy Opportunities Pilot. LHDs must contract with PHPs for Pilot responsibilities directly.

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Identify Potentially Pilot-Eligible Members

- Assess potentially Pilot-eligible Members currently receiving CMARC or CMHRP for baseline Pilot program eligibility, including qualifying physical/behavioral criteria and social risk factor(s). LHDs may also assess members that are not currently receiving CMARC/CMHRP for Pilot eligibility, as applicable. See LHD Program Guide for eligibility criteria.
- Undertake best efforts² to conduct outreach to the Member in a timely manner, and in accordance with the LHD Program Guide upon receipt of a referral of a potentially Pilot-eligible member.
- Utilize the DHHS-standardized [Social Determinants Of Health \(SDOH\) Screening Questions](#), existing CMARC or CMHRP screenings, other SDOH screenings, Comprehensive Assessments, other evidence-based assessment tools, and findings from regular care management check-ins with members to identify Pilot-eligible individuals.
- Build in opportunities for assessing Members' Pilot eligibility at additional checkpoints with the member at existing check-ins (e.g., transitions of care).

Assess Pilot Eligibility and Recommend Pilot Services

- Assess members currently receiving CMARC/CMHRP that an external source (e.g., the PHP, HSOs, providers and/or others) has flagged them as likely to qualify for the Pilots, and recommend specific Pilot services.
- Use the Pilot Eligibility and Service Assessment (PESA) to document standardized information regarding Pilot eligibility and recommended services.
- Complete the PESA for the initial Pilot eligibility assessment/service recommendations and anytime there is a change to a Members' Pilot service needs or eligibility.
- Utilize NCCARE360 to transmit the enrollment and authorization request to the member's PHP for service authorization.

Obtain Pilot Consent

- Obtain or verify all required consents from the member using the DHHS-standardized '[Consent Form for NC Medicaid Coverage of Healthy Opportunities Pilot Services](#)' prior to the member being enrolled in the Pilot and receiving Pilot services and record consent in NCCARE360.

Refer to and Confirm Delivery of Pilot Services

- Conduct outreach to the member about authorized Pilot services.
- Obtain and record Pilot members' contact requirements prior to conducting any Pilot-related outreach to Members about Pilot services, and review and adhere to Pilot members' contact requirements when conducting any future Pilot outreach. Members' contact requirements include:
 - Whether the patient opts-in or opts-out of non-essential Pilot-specific communications (as recorded during their initial Pilot eligibility assessment and as amended from time to time thereafter at the Member's sole discretion),

² Best efforts is defined as including at least two documented follow up attempts to contact the member if the first attempt is unsuccessful. LHDs will not face penalties if outreach attempts take longer than three business days or if they are unable to reach members following outreach attempts.

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- Preferred dates or days of the week for being contacted, time of day at which to be contacted, and modality of contact (e.g., calls vs. texts, use of voicemail, email, postal mail, etc.),
- Whether any other days of the week, times of day, or modalities for contact must not be used, and
- Whether it is acceptable to leave a message for the Member using their preferred modality of contact.
- Include in the Member's care plan information on Pilot enrollment status, authorized Pilot services and Pilot-related needs.
- Upon Pilot enrollment, initiate CMARC or CMHRP to the member if the member is not already receiving CMARC or CMHRP. Continue providing CMARC or CMHRP if the member is already receiving it.
 - Ensure that care management is delivered in accordance with CMARC or CMHRP requirements, as detailed in the LHD Program Guide and standard CMARC/CMHRP contracting terms with PHPs.
- Make referrals for authorized Pilot services using NCCARE360 upon receiving PHP authorization.
- Follow-up with the HSO (if the referral is not accepted) and elevate the issue to the appropriate Network Lead as required.
 - Network Leads will oversee HSO network performance and network adequacy across their Pilot region³.
- PHPs are not required to monitor HSO referral acceptance as HSO performance is predominately a Network Lead function.
- Once an HSO begins providing a Pilot service to a Pilot enrollee:
 - Track the status of a referral to an HSO to ensure that Pilot service delivery is initiated.
 - Coordinate with the HSO that accepted the referral in order to track the outcomes of authorized Pilot service(s) and to ensure Pilot service(s) are meeting the enrollee's needs, as needed.
 - Update the Pilot service delivery outcome(s) in the Pilot section of a member's care plan.
- In the event an HSO is terminated from the Pilot network or cannot fulfill Pilot services, the LHD will be notified of the HSO's termination by the Network Lead. Following notice of an HSO's termination, the LHD must:
 - Close the existing case with the suspended or terminated HSO and send a new referral for the remainder of the authorized or passthrough service period to another HSO to fulfill for Pilot enrollees currently receiving services through the HSO (i.e., HSO has accepted the referral and enrollee has an 'open case' in NCCARE360), or
 - Redirect the outstanding referral or generate a new referral to another HSO to fulfill for Pilot enrollees who have been referred to the HSO but have not yet received services (i.e., HSO has not accepted the referral).
- Pilot services are generally duplicative of services provided by congregate care and institutional settings (e.g., housing and food). Members residing or receiving care in a congregate or

³ LHDs will not face penalties in the event there is no appropriate HSO or HSO with capacity to provide a member with an authorized Pilot service. The LHD may still opt to refer the member to other, non-Pilot community resources that meet their needs.

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institutional setting do not meet Pilot eligibility criteria based on their access to services within the congregate or institutional setting.

- Upon five (5) days of being notified that a Pilot-enrolled member has entered a stay in a congregate care or institutional setting, the LHD must assess the need to continue, suspend, or terminate Pilot services.
 - If the stay is projected to be longer than 30 days, the LHD should terminate Pilot services, and prior to discharge, reassess the member for Pilot eligibility and service needs.
 - For stays projected to be shorter than 30 days, the LHD should determine which referrals should be closed out in NCCARE360 for the length of the stay. The LHD should send new referrals using NCCARE360 to restart the services post-discharge (e.g., delivery of a healthy food box would no longer be needed and should be closed out for the duration of the stay, whereas telephonic-based housing case management may continue to benefit enrollee health, depending on the member's circumstances).
- For those currently residing in congregate care or institutional settings, the LHD may assess Pilot eligibility and service needs prior to discharge/transition so long as service delivery starts upon the return to the community.
- Congregate/Institutional settings include:
 - Residential Treatment Facility Services (including ASAM 3.3 and above and services under [Clinical Coverage Policy 8D-2](#))
 - Psychiatric Residential Treatment Facilities (PRTFs)
 - Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF-IID)
 - Inpatient Psychiatric Hospitals
 - Inpatient/Acute Care Hospitals
 - Nursing Facilities
 - Long-term Care Hospitals
 - Group Homes
 - Halfway House
 - Adult Care Homes
 - Family Care Homes
 - Alternative Family Living Arrangements

Expedited Referral to Passthrough Services

- Identify potentially-Pilot eligible members that are currently in care management or who have been referred to the LHD for a Pilot assessment, who would benefit from one of the passthrough services [See Appendix of LHD Program Guide for Approved Expedited Pilot Services].
- Upon identification of a member that would benefit from a passthrough service, and once required consents are obtained, send the PESA to PHP recommending an additional duration of the service beyond the 30-day passthrough period, indicating that the member is provisionally enrolled in Pilot and pre-authorized to receive a Pilot service for passthrough period of 30-days.
- Upon identification of a member that would benefit from a passthrough service, refer the member to an HSO that delivers Pilot service for a passthrough period of 30-days, simultaneously with the transmittal of the PESA to the PHP.

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- If the member is deemed eligible by the PHP for additional Pilot services beyond the 30-day passthrough period:
 - Generate a referral to the same HSO to deliver the remaining Pilot services past the initial 30-days.
 - Engage with the member to inform them that they are authorized to receive the full duration of the Pilot service.
- If the member is deemed ineligible by the PHP for additional Pilot services beyond the 30-day passthrough period:
 - Do not issue another referral for the remaining Pilot services past the initial 30 days.
 - Engage with the member to inform them and direct them to other non-Pilot services to meet their needs.

Reassess Pilot Service Mix Review and Eligibility

- Conduct a Pilot service mix review every 3 months and reassess Pilot eligibility every 6 months and update the status of the assessment within the member's PESA in NCCARE360 using the notes field.
- Identify Pilot enrollees requiring 3-month and 6-month reassessments and schedule and conduct the service mix review and/or eligibility reassessment in a manner that is aligned with the guidance provided in the LHD Program Guide on Pilot responsibilities.
- PHPs will review data collected in NCCARE360 to monitor requirements for Pilot service mix reviews and eligibility reassessment through spot audits of member PESAs, but will not require additional reporting of LHDs. In the future, the Department expects that NCCARE360 will have a monitoring dashboard that can be utilized for this functionality.

Transitions to Another PHP or Designated Pilot Care Management Entity

- If a member moves to another PHP while enrolled in the Pilot, the LHD must:
 - Use the NCCARE360 functionality to send the PHP a summary of services using a Transition of Care Referral Request [See Transition of Care Policy for more detail.]
 - In the case that a referral for services has not yet been accepted by the HSO, the LHD must close the case.
 - For services that were accepted by the HSO and not yet started, the LHD must contact the HSO to close the case for the Pilot service.
- If a member moves to another Designated Pilot Care Management Entity, the LHD practice must:
 - Coordinate a timely warm handoff, or a transfer of care between Care Management Entities for effective knowledge transfer or to ensure patient continuity of care with regards to Pilot services
 - Use the NCCARE360 functionality to send the new Designated Care Management Entity a summary of services using a Transition of Care Referral Request [See Transition of Care Policy for more detail.]
- If a Member completes or discontinues CMARC/CMHRP while they are still receiving Pilot services and will no longer be receiving care management from the LHD, the LHD shall notify that Member's PHP.

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- The PHP shall ensure the member can continue required, ongoing care management and coordination of Pilot services through either the PHP or an AMH Tier 3/CIN.
- If an LHD is unable to continue providing a Pilot-enrolled member with CMARC/CMHRP and Pilot care management (e.g., due to capacity issues), LHDs should follow the [existing guidance](#) for transferring members for CMARC/CMHRP.
 - Members should be transferred to another LHD to continue CMARC/CMHRP. If the member's new LHD does not provide Pilot care management, the LHD must notify the member's PHP and transition the member to receive ongoing Pilot care management through the PHP (i.e., members will receive CMARC/CMHRP from an LHD and Pilot care management from their PHP).

Discontinuation of Pilot Services

- If an LHD identifies a Pilot service to be discontinued, it must:
 - Document the service(s) to be discontinued and rationale (e.g., if the service is no longer meeting the member's need) and notifies the PHP via NCCARE360.
 - Close out any open referrals for the discontinued service(s) in NCCARE360 and communicate with HSO regarding enrollee status.
 - Document discontinued service(s) and rationale for discontinuation in the Member's PESA within NCCARE360 and the member's care plan.
 - Communicate with the member and provide transition support by identifying other Pilot and non-Pilot services and programs to meet ongoing needs.

Disenrollment from the Pilots

- Identify the following circumstances that result in Pilot-disenrollment:
 - The enrollee is no longer enrolled in Medicaid managed care (e.g., member moves from Medicaid managed care to NC Medicaid Direct);
 - The enrollee has moved out of a Pilot region;
 - The enrollee is receiving duplicative services/programs that disqualify them from the Pilots; or
 - The enrollee has not been responsive for more than 6 months and has not responded to requests for the 3 month service mix review and the 6 month eligibility assessment.
- Document information and rationale for Pilot disenrollment in the PESA and transmit it to the PHP for verification.
- Upon receipt of the disenrollment decision:
 - Communicate with the member regarding the change(s) to Pilot services.
 - Close out any open referrals for the discontinued service(s) in NCCARE360 and communicate with HSO(s).
 - In the event a Pilot enrollee is transitioning to Medicaid Direct or has been retroactively disenrolled from managed care, LHD must inform the HSO of the date of disenrollment within ten (10) days of receiving this notification. Coordinate with the HSO to ensure any Pilot services that were authorized and started at the time of Pilot enrollment or pending passthrough services are delivered to the member.
 - Document PHP decision on Pilot disenrollment in the member's care plan.
 - Provide transition support by identifying non-Pilot services and programs to meet the needs of the member.

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Member and Provider Grievances

- If an LHD has any grievances related to the Pilot, it may transmit those issues directly to the PHP.
- If the LHD is made aware of any Pilot-related member grievances, it will transmit them directly to the PHP.
- Address member-related grievances routed by the PHP in a timely manner, and document the action taken using standard member issue/grievance documentation policies for non-Pilot issues.

Pilot Payments

- The PHPs shall receive funds from the Department and make the following Pilot payments to LHDs:
 - **Pilot Care Management Payments:**
 1. The PHP shall pay LHDs or their contracted entity serving as a Designated Pilot Care Management Entity (e.g. a CIN) an additional, DHHS-standardized, Pilot Care Management per member per month (PMPM) payment for each Medicaid member eligible for CMARC or CMHRP, in the three Pilot regions regardless of their Pilot enrollment. The Pilot Care Management PMPM payment is separate and on top of payments for CMARC/CMHRP.
 2. The PHP shall use the Pilot care management rates and payment approach outlined in the Healthy Opportunities Pilots Payment Protocol to pay LHDs for Pilot-related care management, and are not permitted to further negotiate rates. The Department reserves the right to modify this payment approach in the future, including to require that PHPs pay contracted LHDs based on actual Pilot enrollment, rather than attributed population.
 - **Value-Based Payments:**
 1. The PHP shall share earned VBP payments with high-performing Pilot-participating LHDs serving as Designated Pilot Care Management Entities that contribute to meeting Department standardized milestones. Milestones are defined in the Department's Pilot VBP guides.
 2. The PHP shall distribute earned VBP payments to eligible LHDs in the manner outlined in the Pilot VBP guides.
 3. LHDs serving as Designated Pilot Care Management Entities will be eligible to earn Pilot VBP payments in the VBP periods following March 2023.

PHP-Initiated Pilot Contract Termination

- The PHP may terminate a Pilot-related contract with an LHD with cause associated with Pilot-related performance.
- Prior to Pilot contract termination with cause related to Pilot performance, the PHP must notify the LHD of the underperformance issues and give the LHD 90 business days to remedy any Pilot-related underperformance, defined as noncompliance with the Pilot Standard Terms and Conditions.
 - The LHD must acknowledge receipt of the notice within three business days.
 - The LHD must develop and submit a corrective action plan (CAP) to the PHP within 15 business days of receiving notice of underperformance.
 - The LHD must include in their CAP a "performance improvement plan" that clearly states the steps being taken to rectify underperformance.

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- The PHP must notify the Department of any Pilot underperformance immediately after notifying the LHD.
- If the PHP moves forward with the termination of a Pilot contract because the LHD does not remedy its underperformance issues after the 90 business days, or due to instances of fraud, waste and/or abuse, the PHP must provide written notice to the LHD of the decision to terminate. The notice, at a minimum, must include:
 - The reason for the PHP’s decision; and
 - The effective date of termination.
- The PHP must also provide written notice to the Department regarding the termination of any Pilot-related contracts with LHDs within 15 business days of notifying the LHD. The notice must include, at a minimum:
 - The reason for the PHP’s decision;
 - Outcomes of any actions to address underperformance; and,
 - The effective date of termination.
- The PHP must notify Unite Us of the terminated contract in order to be removed from the Pilot-related components of the NCCARE360 platform.
- For any terminated contracts, the PHP must follow all requirements in the Pilot Transition of Care Protocol to ensure continuity of care for members.

LHD-Initiated Pilot Contract Termination

- LHD may terminate a Pilot-related contract with a PHP at any time.
 - LHD must notify the Department and the PHP of its intent to terminate the Pilot-related contract, 45 business days before doing so.
- LHD must notify Unite Us of the terminated contract in order to be removed from the Pilot-related components of the NCCARE360 platform.
- LHD must notify the PHP of the end date of the Pilot portion of its contract.
- LHD must meet Pilot-related data storage and reporting requirements for one calendar year.

LHDs with Multiple Pilot Related Roles and Responsibilities

LHDs Certified as a Tier 3 Advanced Medical Home

- LHDs that are dually certified as a Tier 3 AMH shall be permitted to provide Pilot-related care management responsibilities for both their CMHRP/CMARC population and patients attributed to their AMH Tier 3 practice.
- Such LHDs shall maintain two Pilot-related contracts with each PHP: one for the CMHRP/CMARC population and one for AMH Tier 3 attributed members.
- LHDs shall receive Pilot care management payments for their CMARC/CMHRP population. Such payments will not impact other Pilot-related payments.
- Termination of one Pilot-related contract does not affect the status of any other Pilot-related contract.

LHDs Contracted as a Pilot HSO

- LHDs shall be permitted to provide Pilot-related care management and deliver Pilot services to enrollees as a Pilot HSO.
- LHDs shall maintain separate Pilot contracts related to operating as an HSO and as a Designated Pilot Care Management Entity: 1) a contract with the PHP for Pilot-related care management

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and 2) a contract with the appropriate Network Lead for the delivery of agreed upon Pilot services.

- LHDs who operate as both HSOs and Designated Pilot Care Management Entities shall only be permitted to deliver Pilot services—inclusive of passthrough services-- to their own members when appropriate, and when there is no Pilot HSO in the region that would better meet their needs.
 - LHDs shall assess each member to determine if there is another HSO that would better meet their needs prior to delivering the Pilot service themselves.
- The PHP shall monitor LHD referrals to ensure member preferences and needs are being assessed and met by the LHD.
- LHDs shall notify the appropriate PHP when transmitting the PESA that the member will be receiving Pilot services from their organization.
- The PHP shall monitor for instances of fraud, waste and abuse and patterns of underperformance.
 - Confirmed instances of fraud, waste or abuse may result in one or more Pilot contract terminations, as described above.
- Termination of one Pilot-related contract does not impact the status of any other Pilot-related contract.